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DESPITE RESERVATION, GATES LIKELY TO BE NEXT U.S. SPY CHIEF
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WASHINGTON

Barring new revelations in the next two weeks, Robert Gates appears likely to be confirmed by the Senate as America's youngest spy chief despite reservations over his role in the Iran arms scandal.

Gates, President Reagan's nominee to replace ailing William Casey as director of the Central Intelligence Agency (CIA), emerged battered but intact from two days of often stormy hearings in the Senate intelligence committee last week.

"He was obviously walking a very tight line between trying not to offend the White House and yet reassuring Congress the same mistakes won't happen again," a committee aide said.

But the committee has scheduled another session with Gates later this month -- this time behind closed doors -- and a news report that appeared two days after his open testimony could give already skeptical senators additional ammunition.

The Washington Post reported on Friday that Gates wrote a CIA paper in July 1985 proposing a U.S.-Egyptian attack on Libya. Gates, CIA intelligence analysis head at the time, said the operation could help "redraw the map of North Africa."

The committee's secret session was also planned to fall after the release of the Tower Commission report next week.

The Tower panel, created by Reagan to investigate the White House National Security Council (NSC), is expected to shed damaging new light on the Iran arms scandal. But senators are also interested in anything it may reveal about Gates.

The 20-year CIA veteran, under fire last week from Republicans as well as opposition Democrats who control the committee, was forced repeatedly to defend his actions since the Iran operation took shape in mid-1985.

Exposure of the administration's covert arms sales to Iran, which is on the State Department's list of states supporting terrorism, deepened into a scandal after last November's disclosure that fired NSC aide Lt. Col. Oliver North may have diverted funds to U.S.-backed Nicaraguan rebels.

In his testimony before the committee, Gates:

- Denied the agency had deliberately tried to mislead Congress by omitting key details from previous secret testimony to the intelligence panels.

- Denied the CIA broke any laws in participating in the secret operation, although he conceded that serious mistakes were made in its role of facilitating the arms shipments and arranging for financial transfers.

- Expressed his disapproval of the Iran arms sales, which Reagan said were to reach out to so-called moderates in Iran but which a Senate report said degenerated into a swap of arms for American hostages held by pro-Iranian forces in Lebanon.

- Regretted he had not tried harder to convince his superiors that the intelligence panels should be notified of the covert program, as it is required to do by law. Reagan, in a January 1986 directive called a "finding," ordered Casey not to report to the committees.

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-- Attempted to distance himself from Casey, saying the former director "took the lead on Iran and Central America and I took the lead on other issues."

-- Agreed with the administration that so-called "oral" findings are valid and he would comply, but said he would immediately follow up with a request for written orders. A dispute has arisen over whether Reagan verbally approved two Israeli shipments of U.S. arms in the fall of 1985 -- months before Reagan's finding waived a U.S. law barring such sales.

-- Defended his failure to notify the committee of indications he received of a possible diversion of arms sales profits to the "contras" nearly two months before it became public. He called the evidence "extraordinarily flimsy."

Gates pledged to comply scrupulously with congressional requirements for prior notification of covert actions and said if a delay was needed for national security reasons, notification would come within a matter of days.

The committees were never notified of the Iran initiative.

Gates also said he would consider resigning if he were ever ordered to withhold notification for more than a few days.

But Arizona Democrat Dennis DeConcini questioned Gates' resolve, asking, "Do we have somebody here that's going to have the courage and the credibility to do what the law says regardless of what some president says he wants done."

The picture that appeared to emerge from the two days of hearings was one of Gates as a loyal deputy who opposed several aspects of the program, expressed his disapproval, but in the end complied with orders from his superiors -- a picture that disturbed some senators.

Sen. Arlen Specter, a Pennsylvania Republican, said he had deep reservations about a "high-ranking number-two man who plays it safe, doesn't speak up and says 'well in hindsight it should all have been done differently.'"

"It seems to me to provide incentives for that kind of conduct and for a repetition of having this committee kept in the dark," Specter said during the hearings.

But Frank Murkowski, an Alaska Republican, disagreed.

"We're addressing a man's qualifications to do the job, not the kind of a job that the former director did," said Murkowski. "And to garner from that that Mr. Gates is going to make those same mistakes I think is very unfair."

But committee aides, and even some senators planning to oppose Gates in a vote likely to come early next month, concede the 43-year-old career intelligence officer is likely to become the youngest director in the CIA's 40-year history.

"He's not in serious trouble ... unless the Tower Commission reveals something ... or something comes up at the closed session," the committee aide said.

DeConcini reluctantly agreed. "If I had to guess right now, or predict, he probably will get the votes," he said.

Gates, the CIA's deputy director since last April, has been acting director since Casey was incapacitated by brain surgery last December. Casey resigned last month.